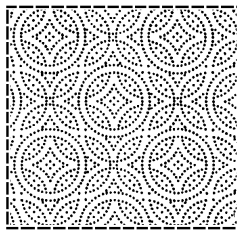


**IN THE MATTER OF AN OPPOSITION  
by Kimberly-Clark Tissue Company  
to application no. 850,413 for the trade-  
mark ARABESQUE EMBOSS DESIGN  
filed by Fort James Operating Company**

---

On July 10, 1997 the applicant through predecessors in title filed an application to register the trade-mark ARABESQUE EMBOSS DESIGN, illustrated below, based on proposed use of the mark in association with paper towels.



The applicant claimed January 21, 1997 as its priority filing date, pursuant to Section 34 of the *Trade-marks Act*, based on the earlier filing of a corresponding trade-mark application in the United States of America. The subject mark was advertised for opposition purposes in the *Trade-marks Journal* issue dated November 25, 1998 and was opposed by Kimberly-Clark Tissue Company on April 26, 1999. A copy of the statement of opposition was forwarded by the Registrar to the applicant on May 12, 1999. The applicant responded by filing and serving a counter statement generally denying the allegations in the statement of opposition.

The first ground of opposition, pursuant to Section 30 of the *Trade-marks Act*, alleges

that (i) the application does not contain an accurate representation of the mark, (ii) paper towels incorporating similar marks are sold by third parties and therefore the applicant could not be satisfied that it is entitled to register its design mark, (iii) the mark is not seen by consumers at the time of purchase of the wares and therefore the applicant cannot be satisfied that it is using the mark in accordance with Section 4(1) of the *Trade-marks Act*, shown below:

A trade-mark is deemed to be used in association with wares if, at the time of the transfer of the property in or possession of the wares, in the normal course of trade, it is marked on the wares themselves or on the packages in which they are distributed or it is in any other manner so associated with the wares that notice of the association is then given to the person to whom the property or possession is transferred.

The second ground of opposition alleges that ARABESQUE EMBOSS DESIGN is not registrable because it is applied to the wares for the purposes of decoration. The design is therefore not a trade-mark used for the purpose of distinguishing the applicant's wares from the wares of others. The third ground alleges that the applied for design mark is not registrable because it has a functional purpose. The fourth ground of opposition alleges that ARABESQUE EMBOSS DESIGN is not registrable for the reasons set out at paragraph (iii) of the first ground. The last ground alleges that the applied for mark is not distinctive within the meaning of Section 2 of the *Act*, shown below, for the reasons set out above.

"distinctive", in relation to a trade-mark, means a trade-mark that actually distinguishes the wares or services in association with which it is used by its owner from the wares or services of others or is adapted so to distinguish them;

The opponent's evidence consists of the affidavit of Diana Mansour, student at law. The

applicant's evidence consists of the affidavit of Joseph H. Miller, director of Research and Development for the opponent company. In lieu of cross-examination, Mr. Miller provided written answers to questions forwarded by the opponent. Both parties filed a written argument and both were represented at an oral hearing.

Diana Mansour's affidavit evidence may be summarized as follows. Ms. Mansour attended at a grocery supermarket and at a pharmacy chain store in the city of Ottawa at which locations she purchased several different brands of embossed paper towels. The purchased items are attached as exhibits to her affidavit.

Mr. Miller's affidavit testimony may be summarized as follows. The applicant is a leading international manufacturer of consumer paper products including paper towels, paper napkins, and the like. Different designs are placed on its products to distinguish them from those of others. The applicant embosses a unique design on its paper towels because the product is used only after the consumer removes the packaging. The subject design has been used in Canada since at least as early as November 1997. Paper towels embossed with ARABESQUE EMBOSS DESIGN are sold exclusively to Costco, a large national membership warehouse club. Costco sells the applicant's paper towels under its house mark KIRKLAND SIGNATURE. From November 1997 to September 2000, Costco sold over 3.5 million units of paper towels bearing ARABESQUE EMBOSS DESIGN, each unit consisting of 12 rolls of paper towels. As a result of such sales, the applicant received over \$3.5 million US. Promotional expenses by the opponent for paper towels bearing the embossed design amounted to about \$1 million Can in the

period 1997-1999 inclusive. Promotion of the wares in association with the design in issue include mail-in rebate coupons, in-store displays, and on product packaging. Additionally, Costco promotes the opponent's paper towels in its magazine Costco Connections, as illustrated in Exhibit F of Mr. Millar's affidavit, shown below, which magazine has about 375,000 subscribers in Canada. The design in issue is seen in the bottom left diagonal of the advertisement.

Written answers provided by Mr. Miller in lieu of cross-examination also form part of the evidence of this proceeding. Of note are two market studies concerning embossed designs on paper towels, attached as Exhibits B and C to his answers.

The determinative issues in this proceeding are, (1) can the applicant's ARABESQUE

EMBOSS DESIGN function as a trade-mark for its paper towels? (2) if the answer to (1) is affirmative, is the applicant's ARABESQUE EMBOSS DESIGN actually functioning as a trade-mark for its paper towels?

The opponent has alleged that the ARABESQUE EMBOSS DESIGN is not registrable as a trade-mark because it is used for the purpose of ornament or decoration, and because the embossed design is functional. Of course, a feature which is primarily designed to perform a function is not fit subject matter for a trade-mark: see *Parke, Davis & Co. v Empire Laboratories Ltd.* (1964) 43 C.P.R. 1 (S.C.C.) I agree with the opponent that the applicant has provided examples of advertising (namely Exhibits D and F of Mr. Miller's affidavit) which imply that the ARABESQUE EMBOSS DESIGN serves the function of making its wares "more absorbent, stronger and softer." However, there is no technical evidence from either party that would support the claim that embossing serves any functional purpose, and the advertising referred to by the opponent appears to be no more than mere puffery of the kind that appears on several packages of paper towels purchased by Ms. Mansour, referred to earlier. I therefore reject the argument that ARABESQUE EMBOSS DESIGN cannot function as a trade-mark because it primarily serves a functional purpose. In my view there is insufficient evidence to support a functionality argument.

Similarly, a feature which is applied to wares merely for the purpose of ornamentation, that is, to make it more attractive to consumers, cannot be a valid trade-mark unless the feature acquires distinctiveness with the public. It then becomes a question of fact as to whether the

feature in issue actually distinguishes the wares. In evaluating the distinctiveness of the feature, it is important that “the overall impression upon the members of the public to whom the wares are offered for sale . . . be assessed.”: see *WJ Hughes & Sons “Corn Flower” Ltd. v. Morawiec* (1970) 62 C.P.R. 21 (Ex. Ct.) and *Santana Jeans Ltd. v. Manager Clothing Inc.* (1993) 52 C.P.R.(3d) 472 at 476 (F.C.T.D.).

To summarize briefly, the issue denoted by (1) above is answered in the affirmative because (i) the opponent has not established, on a balance of probabilities, that embossing on paper towels primarily serves a functional purpose and (ii) an ornamental or decorative feature does not necessarily exclude trade-mark significance. The second determinative issue, denoted by (2) above, is answered by considering whether the public perceives ARABESQUE EMBOSS DESIGN as being used to distinguish the applicant’s wares from like wares of other parties.

As always, the legal onus is on the applicant to show that its mark is adapted to distinguish or actually distinguishes its wares from those of the opponent, and others, throughout Canada: see *Muffin Houses Inc. v. The Muffin House Bakery Ltd.* (1985), 4 C.P.R.(3d) 272 (TMOB). The presence of a legal onus means that if a determinate conclusion cannot be reached once all the evidence is in, then the issue must be decided against the applicant. The material time for considering the circumstances respecting the issue of distinctiveness is as of the filing of the opposition, in this case April 26, 1999: see *Re Andres Wines Ltd. and E. & J. Gallo Winery* (1975), 25 C.P.R.(2d) 126 at 130 (F.C.A.); *Park Avenue Furniture Corp. v. Wickes/Simmons Bedding Ltd.* (1991), 37 C.P.R.(3d) 412 at 424 (F.C.A.).

As noted by the opponent, paper towels incorporating embossed designs are typically sold in packaging that prominently display one or more word marks. The embossed designs are not readily visible to consumers because the packaging, though generally transparent, often obscures the embossing on the paper towels with non-transparent colouring or printed matter on the front face of the packaging. For example, the applicant's wares are sold under the word-marks KIRKLAND, SIGNATURE, and CHELSEA. I agree with the opponent that the front face of the applicant's packaging obscures the arabesque design feature on the wares. I have noted that the ARABESQUE DESIGN is pictured on the front face applicant's product packaging, and in advertising. However, the ARABESQUE DESIGN as pictured is not readily discernable and in any event it is questionable whether the pictorial representation is being used as a trade-mark to identify the source of the wares or merely to indicate to consumers the ornamental feature of the wares. Further, the market research studies referenced by Mr. Miller in answer to written interrogatories are concerned with whether consumers have design preferences for embossing on paper towels. It appears intricate designs are preferred. The market research does not address the issue of whether embossed designs have any trade-mark significance to the consumer.

I agree with the applicant that its ARABESQUE DESIGN is noticeably different than other embossed designs found on the wares of competitors. I also agree that the present case is not governed by the *Corn Flower* case, above, or other cases relied on by the opponent where the design in issue was in common use by other traders. Nevertheless, the opponent has put forward a credible case that the applicant's embossed design on paper towels does not have trade-mark significance for ordinary consumers. Despite cogent and persuasive submissions put forward by

counsel for the applicant, I find that the evidence submitted by the applicant does not meet the onus on the applicant to show that on a balance of probabilities ARABESQUE EMBOSS DESIGN had trade-mark significance, at any material time. Accordingly, I find that the subject application must be refused.

Another issue which might have been argued successfully by the opponent, but which was not pleaded in the statement of opposition, was whether any trade-mark significance of ARABESQUE EMBOSS DESIGN would have enured to the benefit of the applicant. In this regard, it is not at all clear from the evidence whether the public would have perceived the applicant, rather than Costco, as the owner of the applied for mark or as the source of the wares.

DATED AT VILLE DE GATINEAU, QUEBEC, THIS 15th DAY OF APRIL , 2004.

Myer Herzig,  
Member,  
Trade-marks Opposition Board